

House File 415 - Introduced

HOUSE FILE 415

BY GUSTOFF

A BILL FOR

1 An Act relating to interpretation of law in administrative and
2 judicial proceedings under the Iowa administrative procedure
3 Act.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 17A.19, subsection 10, paragraph c, Code
2 2023, is amended to read as follows:

3 c. Based upon an erroneous interpretation of a provision
4 of law ~~whose interpretation has not clearly been vested by a~~
5 ~~provision of law in the discretion of the agency.~~

6 Sec. 2. Section 17A.19, subsection 10, paragraph 1, Code
7 2023, is amended by striking the paragraph.

8 Sec. 3. Section 17A.19, subsection 11, Code 2023, is amended
9 by striking the subsection.

10 Sec. 4. Section 17A.23, Code 2023, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 5. Notwithstanding any provision of
13 the Code to the contrary, a court, or a presiding officer
14 in a contested case or other administrative action subject
15 to this chapter, when interpreting a state statute or a rule
16 or other agency document subject to this chapter, shall not
17 defer to an agency's interpretation of the statute, rule, or
18 document, and must instead interpret its meaning and effect
19 de novo. In an action brought by or against an agency, the
20 court or officer, after applying all customary tools of
21 interpretation, must exercise any remaining doubt in favor
22 of a reasonable interpretation that limits agency power and
23 maximizes individual liberty.

24 EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 This bill concerns the interpretation of law in
28 administrative and judicial proceedings under Code chapter 17A,
29 the Iowa administrative procedure Act.

30 Under current law, a court must reverse, modify, or grant
31 other appropriate relief from agency action in specified
32 circumstances if it determines that substantial rights of the
33 person seeking relief have been prejudiced. Such circumstances
34 include agency action based upon an irrational, illogical,
35 or wholly unjustifiable interpretation of a provision of law

1 whose interpretation has clearly been vested by a provision
2 of law in the discretion of the agency. If interpretation
3 of the provision of law has not been clearly vested in the
4 discretion of the agency, the standard of review is instead
5 whether the agency's interpretation is erroneous. Current law
6 also provides guidance to a court regarding the determination
7 of the degree of deference to be given to the view of an agency,
8 based on whether a provision of law has vested the agency with
9 discretion over the matter in question. The bill strikes these
10 provisions and instead provides that a court must reverse,
11 modify, or grant other appropriate relief from agency action
12 based upon an erroneous interpretation of a provision of law.
13 The bill additionally prohibits a court, or a presiding
14 officer in a contested case or other administrative action
15 subject to Code chapter 17A, when interpreting a state statute
16 or a rule or other agency document subject to Code chapter
17 17A, from deferring to an agency's interpretation of the
18 statute, rule, or document, and instead requires the court
19 or officer to interpret its meaning and effect de novo. The
20 bill requires the court or officer, in an action brought by
21 or against an agency, after applying all customary tools of
22 interpretation, to exercise any remaining doubt in favor of
23 a reasonable interpretation that limits agency power and
24 maximizes individual liberty.